

DORAL Share of Category Agreement

Retailer, in consideration for offering and promoting the _____ brand as its primary cigarette in the lowest price category at their everyday low price and providing the _____ brand with preferred merchandising space and locations as compared to other products in the low price category, is offered a performance incentive on DORAL upon qualifying. If R. J. Reynolds Tobacco Company's ("RJR") share of the industry Savings category maintains 50-74% for a consecutive six (6) month calendar period, Retailer will receive, as soon as practical after said period, payment at the rate of \$.35 per carton on all DORAL cartons sold. If retailer maintains an RJR share of industry Savings category of 75%+ for same period, the Retailer will receive a payment rate of \$.50 per carton on all DORAL sold.

Retailer also agrees as a Level III merchandising accrual partner that it will not disadvantage RJR in the ongoing display and promotion of its Full Price and Branded Savings products as they relate to other cigarette manufacturers.

Either party may cancel this Share of Category agreement on thirty (30) days notice. This offer will also immediately become void should Retailer fail to feature and promote _____ brand as agreed.

This offer is being made by RJR in selected markets to meet certain competitive situations and may not be available to all Retailers within selected markets.

Accepted By:

R. J. REYNOLDS TOBACCO COMPANY

Account Name
& Chain/SIS #: _____

By: _____

Signed By: _____

(Division #)

Dated: _____

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